BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of a Request for the Modification Of the Kansas City Metropolitan Calling Area Plan) To Make the Greenwood Exchange Part of the Mandatory MCA Tier 2

Case No. TO-2005-0144

STIPULATION AND AGREEMENT

COMES NOW the Office of the Public Counsel ("OPC"), Southwestern Bell Telephone, L.P., d/b/a AT&T Missouri ("AT&T Missouri"), and the Staff of the Missouri Public Service Commission ("Staff"), collectively referred to as "the Signatories," and for their Stipulation and Agreement, state as follows:

1. On November 22, 2004, OPC filed a Request to Modify the Kansas City Calling Area Plan to Include the Greenwood Exchange in the Mandatory Metropolitan Calling Area ("MCA") Tier 2.

2. The Signatories have reached the following agreements in order to resolve this case:

The Greenwood exchange will become a mandatory MCA a. exchange in the Kansas City MCA, thereby modifying the MCA Plan as established by the Commission in its Report and Order, In the Matter of the Establishment of a Plan for Expanded Calling Scopes in Metropolitan and Outstate Exchanges, Case No. TO-92-306, December 23, 1992, and as clarified by the Commission in its Report and Order. In the Matter of an Investigation for the Purpose of Clarifying and Determining Certain Aspects Surrounding the Provisioning of Metropolitan Calling Area Service After the Passage and Implementation of the Telecommunications Act of 1996, Case No. TO-99-483, September 7, 2000 ("the MCA Orders"). This means that all customers in the Greenwood exchange will be considered MCA customers. They will be permitted to call the following customers without incurring a toll charge: (1) all customers in the Kansas City exchange;¹ (2) all customers in MCA Tier 3 exchanges regardless of whether the called party is an MCA subscriber; and (3) all customers that are recognized as MCA subscribers in the Kansas City MCA Tier 4 and Tier 5 exchanges.

b. The optional MCA charge for Greenwood exchange customers will be eliminated. Further, the Extended Area Service ("EAS") charge in Greenwood, that provides local calling to the Belton and Lee's Summit zones in the Kansas City exchange, will be eliminated.

c. AT&T Missouri will provide the calling scope set forth in paragraph 2(a) above, to all residential customers in the Greenwood exchange at an effective rate of \$15.00, through two charges: \$8.79 for basic local service and \$6.21 for mandatory EAS. This will be a reduction of \$6.14 per month for the vast majority of AT&T Missouri's customers in the Greenwood exchange who currently pay an effective rate of \$21.14, through two charges: \$8.79 for basic local service and \$12.35 for optional MCA service. The very small minority of residential Greenwood exchange customers that do not subscribe to optional MCA service today, and currently pay an effective rate of \$8.89 through two charges: \$8.79 for basic local service and \$.10 for mandatory EAS, will see a monthly increase of \$6.11 per month; however, they will also gain a significantly

¹ The "Kansas City exchange" refers to all customers in the Principal Zone, Tier 1, and Tier 2 of the Kansas City MCA.

larger calling scope (including calls to and from the entire Kansas City exchange) than the calling scope that they receive today.

d. AT&T Missouri will provide the calling scope set forth in paragraph 2(a) to all business customers in the Greenwood exchange at an effective rate of \$33.30 for single-line customers and \$48.80 for multi-line customers, through two charges. The single-line customers will pay \$22.30 for basic local service and \$11.00 for mandatory EAS. The multi-line customers will pay \$37.80 for basic local service and \$11.00 for mandatory EAS. This will be a price reduction for the vast majority of single-line business Greenwood exchange customers who currently pay an effective rate of \$47.10 through two charges: \$22.30 for basic local service and \$24.80 for MCA service. It will be a price increase of \$10.71 for the small minority of single-line business Greenwood exchange customers that do not subscribe to MCA service today and pay an effective price of \$22.59 through two charges: \$22.30 for basic local service and \$.29 for mandatory EAS. However, these customers will obtain a significantly larger calling scope (including calls to and from the entire Kansas City exchange) than the calling scope that they receive today. Additionally, this will be a price reduction for the vast majority of multi-line Greenwood exchange customers, who currently pay an effective rate of \$62.60 through two charges: \$37.80 for basic local service and \$24.80 for MCA service. It will be a price increase of \$10.71 for the small minority of multi-line business Greenwood exchange customers that do not subscribe to MCA service today and pay an effective price of \$38.09 through two charges: \$37.80 for basic local service and \$.29 for mandatory EAS.

However, these customers will also obtain a significantly larger calling scope than the calling scope that they receive today (including calls to and from the entire Kansas City exchange).

e. AT&T Missouri reserves the right to change the above-referenced prices by filing revised tariffs for review and approval under the statutes applicable to AT&T Missouri at the time of any proposed tariff revision.

f. Although AT&T Missouri will experience a loss in revenue as a result of the implementation of this Stipulation and Agreement, AT&T Missouri waives any right it may have to revenue neutrality so long as the Commission approves the Stipulation and Agreement without modification.

g. All of the terms and conditions regarding the provision of MCA Service, as set forth in the MCA Orders, will apply, unless otherwise specifically stated in this Stipulation and Agreement, including but not limited to that all telecommunications companies providing MCA service in the Kansas City MCA shall exchange traffic on a bill-and-keep basis as specified in the MCA orders.

h. The NXX codes that AT&T Missouri uses to provide MCA service shall be identified using the Local Exchange Routing Guide and AT&T Missouri will take all necessary steps to identify all AT&T Missouri NPA-NXXs in Greenwood as MCA NPA-NXXs. As a result, all Greenwood exchange customers will be permitted to retain their current telephone numbers regardless of whether they currently subscribe to MCA service.

3. The parties note that it will take some period of time to implement this Stipulation and Agreement after approval by the Commission. In addition to

Commission approval of revised tariffs for AT&T Missouri, all telecommunications carriers participating in the MCA Plan, including AT&T Missouri, will need to revise their network routing functions to account for the new MCA calling scope and may need to revise other operational support systems so that the new MCA service can be made available.

4. The other parties to this case, Cass County Telephone Company, Lathrop Telephone Company, CenturyTel of Missouri, L.L.C., Spectra Communications Group, L.L.C., d/b/a CenturyTel, and MoKan Dial, Inc. have advised the Signatories that they do not oppose this Stipulation and Agreement. Pursuant to 4 CSR 240-2.115(2)(C), if no party timely objects to the Stipulation and Agreement, the Commission may treat this agreement as a unanimous stipulation and agreement.

5. If the Commission approves this Stipulation and Agreement in its entirety, such approval will resolve all issues in this matter.

6. This Stipulation and Agreement has resulted from extensive negotiations among the Signatories and the terms hereof are interdependent. In the event that the Commission does not approve this Stipulation and Agreement in its entirety, it shall become null and void and none of the Signatories shall be bound by any of the agreements or provisions hereof.

7. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the Signatories waive, with respect to the issues resolved herein, their respective rights, to present testimony, to cross-examine witnesses, and to present oral argument and written briefs pursuant to Section 536.080 R.S.Mo., 2000; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2,

R.S.Mo. 2000; and their respective rights to judicial review pursuant to Section 386.510, RSMo. 2000. The parties agree to cooperate with each other in presenting this Stipulation and Agreement to the Commission for approval, and will take no action, direct or indirect, in opposition to approval of this Stipulation and Agreement.

8. The Staff shall file suggestions or a memorandum in support of this Stipulation and Agreement and the other Parties shall have the right to file responsive suggestions.

9. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practical, provide the other parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is required from the Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent that it refers to matters that are privileged or protected from disclosure pursuant to any protected order issued in this case.

Wherefore, the Signatories respectfully request that the Commission issue an order approving this Stipulation and Agreement.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE, L.P.

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<u>CERTIFICATE OF SERVICE</u>

Copies of this document were served on the following parties via e-mail on December 15, 2005.

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